Financing logistics and Ports:

Sustainability as driver to attract investments

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Djibouti in brief : Policy and some indicators

Long term political stability & economic growth

Clear strategic orientation, anchored in Vision 2035, allowing economy to thrive despite geopolitical challenges

Ports as platforms for diversification

Leveraging Djibouti's geostrategic position to support trade, services, industry, and regional integration

Sustainability as a key driver

Long-term energy and climate objectives anchored in Vision 2035 as a driver for port operations and investments

7x **GDP growth since 2000**

7.1% **Projected average growth 2026-29**

0,5% **Inflation** in 2025

2B **Net FDI inflows** (USD) 2000-2020

2x **Exports volume** since 2016

85.1% **GDP** generated by **services**

>80% Electricity produced by **renewable sources**

100% **Green energy by 2035**

Leveraging geostrategic advantage to build an investment-ready economy

MEFI
Ministère de l'Économie et des Finances chargé de l'Industrie

Non-exhaustive

Gov't led modernization

Public-private sector led growth

- First modern container terminal launched **1985**
- **2009** Doraleh Terminal
- **2011** Ethiopia-Djibouti Transmission Line
- **2017** Addis-Djibouti Railway
- DIFTZ **2018**
- **2018** Djibouti Data Center Expansion
- Ghoubet Salt Terminal **2019**
- **2023** Red Sea Power
- New Ethiopia-Djibouti Transmission Line **2024**

With its infrastructure foundations firmly in place, Djibouti is now moving into a new chapter of **green, sustainable, and investment-driven development**.

Ultimate goal : Build a resilient nation transforming the structure of its economy to achieve strong, inclusive and sustainable growth (NDP 3)

Investing on logistics and ports is a core pillar of the new NDP 3 : what instruments to use?

Public Investments

Government subsidies and Development Financing Institutions' funding mechanisms

Public-Private Partnerships (PPP)

Risk and reward sharing between public and private actors

Innovative financing

Combining green bonds, sustainability-linked loans and blended-finance platforms with carbon-market revenues

Today, remaining competitive means combining traditional funding with innovative financing for logistics and ports.

Innovative financing : From public finance to markets, there are several ways to fund green investments

Public financing ⟷ **Markets**

Green sovereign debt	Concessional & blended finance	Carbon markets
Debt issuances – (seeking green discounts) • Green bonds • Sustainable policy bonds • Resilience bonds **Debt restructuring** • Climate and nature swaps	Projects/programmes in a low-income government context that can be externally funded through either **donor funding** or **blended finance** that catalyses private investment through concessional instruments (guarantees, grants, low-interest loans)	**Article 6 carbon markets:** • Article 6.4 markets • Article 6.2 Internationally Transferred Mitigation Outcomes **Other instruments:** Voluntary carbon markets; REDD+ credits; RECs; Energy Transition Accelerator credits; Resilience credits; Biodiversity credits

Green investment in logistics and ports as an opportunity: when sustainability becomes an investment driver

Green logistics improve performance

Green logistics refers to the decarbonisation and optimisation of transport, handling, and energy use across supply chains.

- 10 to 25% cargo dwell time

Up to 30% reduction in local air pollutants

Green or sustainable ports

Green or sustainable ports improve port performance by upgrading equipment, and processes to reduce inefficiencies and environmental externalities.

+ 8-12% productivity in major container ports

- 15% port congestion in major port

Own estimates based on international benchmarks and case studies from World Bank (LPI; Port Reform Toolkit; CPPI), IAPH World Ports Tracker;

What does a green investment look like? The GCF's model

The Green Climate Fund (GCF) is the world's largest multilateral fund dedicated to financing climate-aligned investments in developing countries. Its framework is used as a global reference to assess green projects.

01

Impact Potential

The potential to achieve GCF's objectives: reducing greenhouse gas emissions (mitigation) or increasing communities and ecosystems' resilience (adaptation).

02

Paradigm Shift Potential

The degree to which the project can catalyze change beyond a one-off investment, including scaling up, innovation, and transforming market structures or policies.

03

Sustainable Dev. Potential

The ability to produce environmental, social, and economic co-benefits, including gender equality and empowering vulnerable populations.

04

Needs of the Recipient

The vulnerability of the beneficiary country and population to climate change, as well as their lack of alternative financing sources.

05

Country Ownership

The alignment of the project with national climate strategies, such as Nationally Determined Contributions (NDCs), and the involvement of local stakeholders.

06

Efficiency & Effectiveness

The economic and financial soundness of the proposal, including cost-effectiveness and the mobilization of private sector co-financing.

Thank you

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